



House of Representatives

File No. 687

General Assembly

February Session, 2014

(Reprint of File No. 499)

Substitute House Bill No. 5506
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 25, 2014

AN ACT CONCERNING SCRAP METAL SOLD ON BEHALF OF MUNICIPALITIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 21-11a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2014*):

3 (a) A scrap metal processor, as defined in section 14-67w, shall
4 record, for all loads of scrap metal purchased or received by such
5 processor, a description of such scrap metal, the weight of such metal,
6 the price paid for such metal and the identification of the person who
7 delivered such metal. Such scrap metal processor shall take a
8 photograph of the motor vehicle delivering such scrap metal,
9 including the license plate of such vehicle. Such scrap metal processor
10 shall not be required to segregate scrap metal it receives from other
11 materials on its premises and hold the same for five days except for
12 wire or cable that could be used in the transmission of
13 telecommunications or data or scrap equipment, wire or cable that
14 could be used in the transmission or distribution of electricity by an
15 electric distribution company unless purchased from (1) a person

16 licensed pursuant to section 29-402 to engage in the business of
17 demolition of buildings, or (2) a person who has already segregated
18 such scrap metal pursuant to this chapter and such person provides
19 such scrap metal processor with a written statement affirming such
20 segregation. Upon receipt of a load of scrap metal [which] that
21 contains wire or cable that could be used in the transmission of
22 telecommunications or data or scrap equipment, wire or cable that
23 could be used in the transmission or distribution of electricity by an
24 electric distribution company, such scrap metal processor shall take a
25 photograph of the motor vehicle delivering such scrap metal,
26 including the license plate of such vehicle, and of such load of scrap
27 metal. Upon receipt of wire or cable that could be used in the
28 transmission of telecommunications or data or scrap equipment, wire
29 or cable that could be used in the transmission or distribution of
30 electricity by an electric distribution company, such scrap metal
31 processor shall make a copy of the certificate of registration of such
32 vehicle, record a description of the material received, and record a
33 statement as to the location from which the material came.

34 (b) The scrap metal processor shall maintain the documents,
35 photographs and other records required under subsection (a) of this
36 section in good condition and shall retain such records for a period of
37 not less than two years. Such records shall be open for inspection by
38 law enforcement officials upon request during normal business hours.

39 (c) A scrap metal processor, junk dealer or junk yard owner or
40 operator shall immediately notify a municipal law enforcement
41 authority in the municipality in which such scrap metal processor,
42 junk dealer or junk yard is located of the name, if known, and motor
43 vehicle license plate number, if available, of any person offering to sell
44 a bronze statue, plaque, historical marker, cannon, cannon ball, bell,
45 lamp, lighting fixture, lamp post, architectural artifact or similar item
46 to such scrap metal processor, junk dealer or junk yard owner or
47 operator.

48 (d) No scrap metal processor, junk dealer or junk yard owner or

49 operator may purchase or receive a stainless steel or aluminum alloy
 50 beer or other beverage keg container if such container is marked with
 51 an indicia of ownership of any person or entity other than the person
 52 or entity presenting such container for sale. For purposes of this
 53 subsection, "indicia of ownership" means words, symbols or a
 54 registered trademark printed, stamped, etched, attached or otherwise
 55 displayed on such container that identify the owner of such container.

56 (e) No scrap metal processor, junk dealer or junk yard owner or
 57 operator may purchase or receive any property that such scrap metal
 58 processor, junk dealer or junk yard owner or operator suspects or has
 59 reasonable cause to believe is municipal property unless the person
 60 delivering such property presents at the time of delivery a letter on the
 61 letterhead of the municipality authorizing such purchase or receipt
 62 and signed by either (1) the chief executive officer of the municipality,
 63 or (2) the head of the municipal department responsible for
 64 maintaining such public property. The scrap metal processor, junk
 65 dealer or junk yard owner or operator shall send any moneys paid for
 66 such municipal property to the official designated in the letter of
 67 authorization.

68 [(e)] (f) A scrap metal processor who has purchased scrap metal that
 69 is subsequently determined to have been stolen and is returned to the
 70 owner of such metal shall have a civil cause of action against the
 71 person from whom such metal was purchased.

72 [(f)] (g) A first violation of subsection (a), (b), (c), [or] (d) or (e) of
 73 this section shall be a class C misdemeanor. A second violation of any
 74 of said subsections shall be a class B misdemeanor and a third or
 75 subsequent violation of any of said subsections shall be a class A
 76 misdemeanor.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2014	21-11a

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 15 \$	FY 16 \$
Resources of the General Fund	GF – Potential Revenue Gain	Minimal	Minimal

Municipal Impact:

Municipalities	Effect	FY 15 \$	FY 16 \$
All Municipalities	Savings	Potential Minimal	Potential Minimal

Explanation

The bill makes it illegal for scrap metal processors, junk dealers, or junk yard owners to purchase property they have reasonable cause to believe is municipal property unless the seller presents a letter from the municipality authorizing the sale. There is a potential savings, expected to be minimal, to the extent that this discourages theft of municipal property and reduces municipal costs to replace stolen property.

The bill extends the violation of scrap metal provision and results in a potential minimal revenue gain for fines associated with potential violations. In FY 13 there were no convictions or revenue associated with this current law.

House “A” strikes the underlying bill and results in the above identified fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 5506 (as amended by House "A")******AN ACT CONCERNING SCRAP METAL SOLD ON BEHALF OF MUNICIPALITIES.*****SUMMARY:**

This bill prohibits scrap metal processors, junk dealers, or junkyard owners or operators (processors, dealers, or owners) from purchasing or receiving property which they suspect, or have reasonable cause to believe, is municipal property, unless the person delivering the property contemporaneously presents a letter from the municipality authorizing the transaction. The authorization letter must be on municipal letterhead and signed by either the municipal (1) chief executive officer or (2) department head responsible for maintaining the property. Under the bill, processors, dealers, or owners must send payment for the property to the municipal official designated in the letter. Violations of the bill's requirements are misdemeanors, subjecting violators to fines, imprisonment, or both.

Even if a seller presents a municipal authorization letter, existing law, unchanged by the bill, requires a processor, dealer, or owner to immediately notify and give the municipal law enforcement authority in his or her jurisdiction the name and license plate number of anyone offering to sell a bronze statue, plaque, historical marker, cannon, cannon ball, lamp, lamp post, lighting fixture, architectural artifact, or similar item (CGS § 21-11a(c)).

*House Amendment "A" (1) eliminates changes made by the original bill to the law on notifying law enforcement authorities and (2) retains and modifies the original bill's requirements concerning the purchase of municipal property.

EFFECTIVE DATE: October 1, 2014

PENALTIES FOR PURCHASING MUNICIPAL PROPERTY

The bill extends the penalties under existing law for violating scrap metal sales laws to processors, dealers, or owners who violate the bill's requirements concerning municipal property. Table 1 lists the fines and prison terms associated with these penalties.

Table 1: Penalties for Scrap Metal Sales Violations

<i>Violation</i>	<i>Classification</i>	<i>Maximum Prison Term</i>	<i>Maximum Fine</i>
First	Class C misdemeanor	3 months	\$500
Second	Class B misdemeanor	6 months	\$1,000
Third and subsequent	Class A misdemeanor	1 year	\$2,000

BACKGROUND

Larceny

In addition to penalties under the bill, a person is guilty of "larceny by receiving stolen property" if he or she receives, retains, or disposes of stolen property (1) knowing that it has probably been stolen or (2) believing that it has probably been stolen, unless the property is received, retained, or disposed of with the purpose of restoring it to the owner (CGS § 53a-119(8)).

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/25/2014)